

CARLIN BAY PROPERTY OWNERS ASSOCIATION



MEETING

January 25, 2012

4:30 p.m.

Agenda

Introduction:

- Website
- Purpose of Meeting
- Guidelines/Rules
- Introductions
- Current Status

Presentation:

- Preliminary Design
- Potential Paths

Process:

- Brian Werst, K & L Gates

Closing:

- Post Questions to Website
- Board Contact Information

Link to Welch Comer Website

[www.welchcomer.com/
ProjectInformation.html](http://www.welchcomer.com/ProjectInformation.html)

Purpose of Meeting

Provide information regarding three potential paths for the CBPOA to proceed along for wastewater improvements

Guidelines/Rules of Meeting

- Please hold all comments until the end of the presentation
- A page will be provided on the Welch Comer website to post written questions

Email Address: wcspecs@welchcomer.com

Introductions

- John Tindall, P.E. – IDEQ
- Steve Cordes, P.E. – Welch Comer
- Jerry Sebbby – CBPOA Wastewater Committee Chair
- Brian Werst & Laura McAloon – K & L Gates

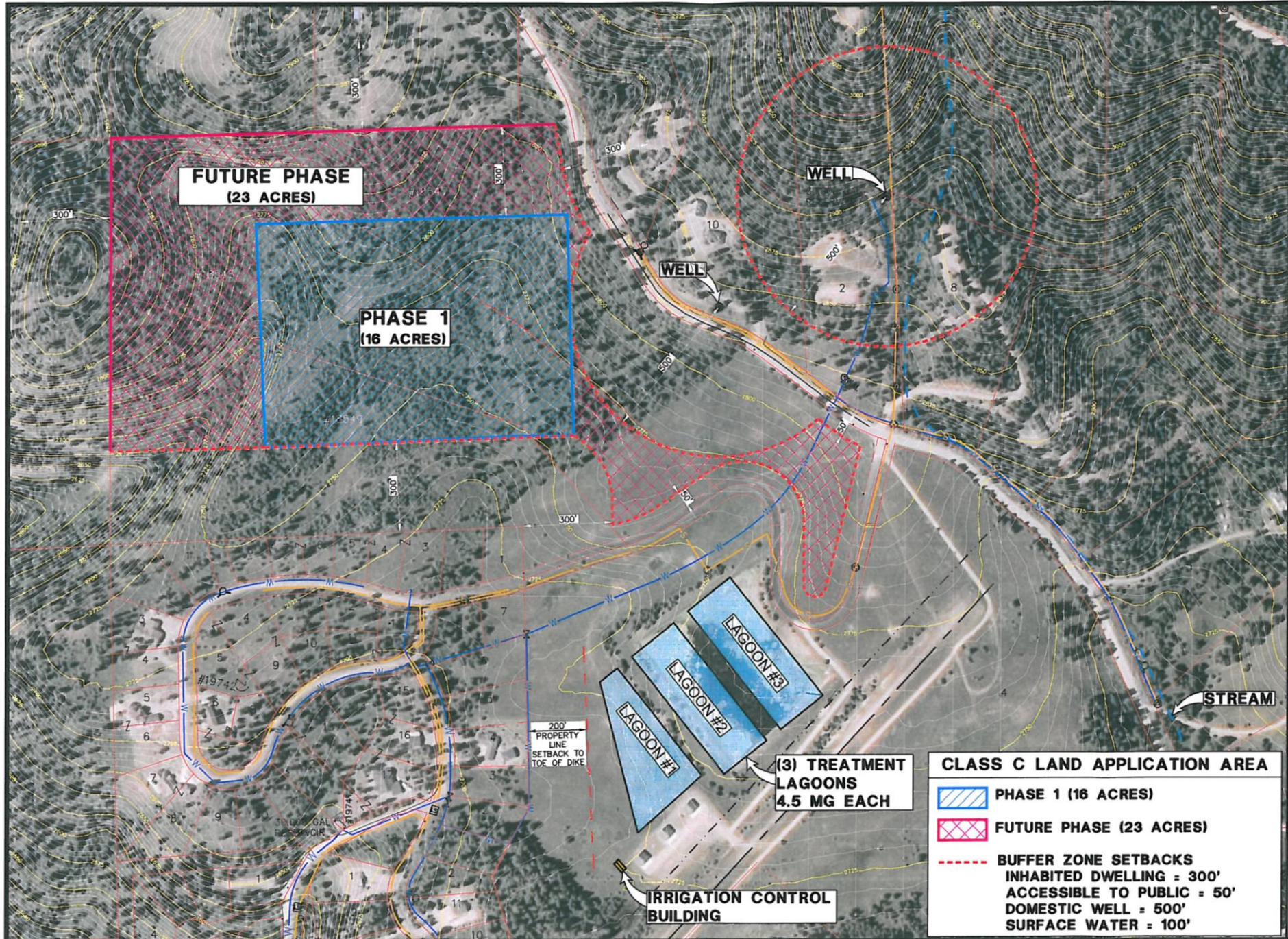
Wastewater Issues Update

- DEQ Requires CBPOA to build a new system and we must upgrade to be compliant.
- Members have selected a type “C” system.
- DEQ offers the best available financing with a very generous Loan term: 30 years at .25%. Up to \$3.5M with a \$299,000 forgiveness.
- We, CPBOA, have not yet taken on any indebtedness.
- Payments for loan indebtedness, will not have to be repaid until the project is complete.
- We expect that it will be at least 2 years before the project is completed.
- DEQ will control all funds for project planning through construction and completion.

Current Status

- IDEQ Loan Application Has Been Submitted
- Draft Preliminary Engineering Report Has Been Submitted
- IDEQ's Perspective

Preliminary Design



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11x17 SCALE: 1"=300'
 22x34 SCALE: 1"=150'

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NO. DATE REVISION DESCRIPTION BY

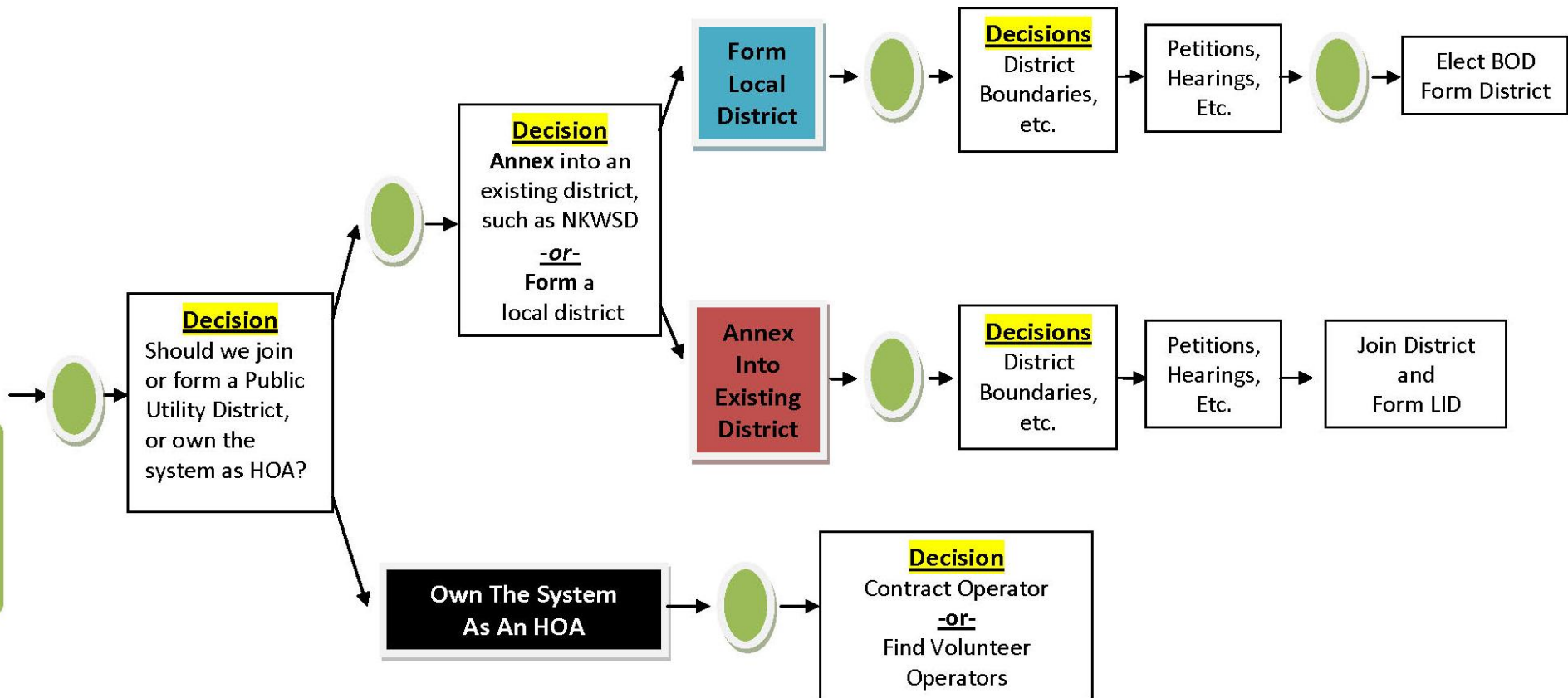
CARLIN BAY
 PROPERTY OWNERS' ASSOCIATION
 WASTEWATER FACILITY PLAN
 SELECTED
 WASTEWATER IMPROVEMENTS
 FIGURE 6-1

PROJECT NO.: 41024
 DESIGNED BY: S.B.C.
 DRAWN BY: J.A.L.
 DWG NAME: 41024DS07.DWG
 DATE: 12-30-11
 SHEET NO:

Potential Paths

Who Will Own and Operate a New CBPOA Wastewater System?

 = Public Meeting(s)



Option 1: CBPOA Operates WW

Pro

- CBPOA Retains WW Assets
- Local Control - BOD Controls
New Rates & New WW Policies
- Lower Initial Cost Than Forming
a Wastewater District
- O&M Would Likely Be
Contracted Out
- Any Member of CBPOA Can
Run for BOD Position

Con

- BOD Remains in the WW
Business
 - Manage Construction, Costs,
& Liabilities
 - Manage Operations - Hire
Manager/Operators, etc.
 - Plan for Capital Improvements
- Must Manage Finances
Without a LID
- Greater Risk, Inability to
Create Delinquency Tax Liens
- CBSA Issues Remain

Option 2: Form A New District

Pro

- Municipal Type Service
- Local District Board & Local Control
- Protected by State Statutes
- Asset Transfer Contract May Protect Asset Interests
- Local District – Creates LID
- Local District Sets All Rates
- Ability to Create Tax Liens
- Manages our DEQ Debt Service
- Isolated from CBPOA
- CBSA is Included – Any Member of the District May Run For a Director Position

Con

- Costs For Formation & Process Guidance
- Legal Costs for Help With Boundaries & Statutes
- Court Costs for Formation
- Own CBPOA WW Assets & CBSA WW Assets

Option 3: Annex into an Existing District

Pro

Con

- Municipal Type Service
- Protected by State Statutes
- Asset Transfer Contract May Protect Asset Interests
- Experience with Boundaries & Statutes
- Manages our DEQ Debt Service
- Ability to create a LID
- Any member of the District May Run for a Director Position

- Limited Local Representation and Control
- Annexation Costs and Charges for Upgrades to Wastewater Collection System
- Upfront Engineering Study Costs Required
- All Assets Transferred to the District
- Revenue Bonds Paid by Entire District
- District May Not Want CBPOA

Process

- Brian Werst and Laura McAloon of K & L Gates

QUESTIONS

This Presentation is available for viewing at
www.welchcomer.com/ProjectInformation.html

CBPOA BOARD OF DIRECTORS:

- Phil Noel – President
- John Thiele – Vice President
- Jan Tymesen – Secretary
- Cathy Sebby – Treasurer
- Richard Miller – Member at Large

WASTEWATER COMMITTEE:

- Jerry Sebby
- Phil Noel
- Lorraine Thiele
- Dan Rife

Email Address: email@CBPOA.info